

For: Cotton State and County Offices and LSA's

**Researching and Updating Producer Collection Invoices
in Cotton Online Processing System (COPS) for Forfeited Cotton**

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A

Background

When cotton is forfeited to CCC, County Offices and LSA's shall:

- print the Producer Collection Invoice in COPS for charges due CCC
- send a manual notification letter and, if applicable, 1st demand letter informing the producer that charges are due
- establish a claim for invoice amounts not collected within 60 calendar days after the date of the notification letter. County Offices establish such claims for LSA's.

When the invoice amount due is remitted:

- County Offices shall:
 - deposit the collection on CCC-257
 - update payment status for the invoice in COPS from "Waiting Payment" to "Paid" status
- LSA's shall process the invoice amount according to 21-CN, paragraph 433
- Financial Accounting Division (FAD), KCFO will update the invoice payment status in COPS for invoice amounts collected by LSA's.

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Disposal Date

December 1, 2002

Distribution

Cotton State Offices; State Offices relay to applicable County Offices and LSA's

1 Overview (Continued)

A

Background (Continued)

The "Waiting Payment" or "Paid" status of a Producer Collection Invoice is monitored by FAD for collection activity.

The large number of invoices in "Waiting Payment" status indicates that some County Offices and LSA's have:

- not printed the Producer Collection Invoice and notified the producer of charges due
 - failed to update the status from "Waiting Payment" to "Paid" when the invoice amount is collected, if applicable
 - not created a claim, or requested a claim be established, and taken further collection action according to 58-FI, if the invoice remains unpaid 60 calendar days after the date of the notification letter.
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B

Purpose

This notice provides State and County Offices and LSA's with instructions for:

- researching payment status of Producer Collection Invoices for 1998 through 2000
 - notifying producers of amounts due
 - updating payment status in COPS.
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2 Collecting Charges Due on Forfeited Loans

A Policy

According to 7-CN, subparagraph 214 B, when cotton is forfeited, County Offices shall:

- review Producer Collection Invoice for accuracy
- if statement is correct, send the producer a notification letter with a copy of the Producer Collection Invoice
- if payment is not received within 30 calendar days from the date of the notification letter, send the producer the 1st demand letter
- within 60 calendar days from the date of the notification letter

IF the amount due...	THEN County Offices shall...
is collected	deposit the amount received through cash receipts in Accounting using program code "XXUPCNFORF".
is not collected	<ul style="list-style-type: none">• establish a claim and send 2nd demand letter according to 58-FI• deposit amount collected as a claims collection.

- update the producer collection invoice status from "Waiting Payment" to "Paid" after invoice amount is collected.

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Notice CN-938

2 Collecting Charges Due on Forfeited Loans (Continued)

B

Researching Producer Invoices

County Offices shall research invoices for crop years 1998 through 2000 by:

- printing a list of Producer Collection Invoices awaiting payment according to subparagraph 3 B
 - reviewing producer loan files to determine whether:
 - producers have been sent a notification letter informing them of charges due
 - first demand letter has been issued for invoices that remain unpaid 30 calendar days after the date of the notification letter
 - claims have been established for invoices that remain unpaid 60 calendar days after the date of the notification letter
 - payment status has been updated to “Paid” for invoice amounts collected and deposited on CCC-257.
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C

County Office Action

County Offices shall take the following action for Producer Collection Invoices with a payment status of “Waiting Payment”.

IF the producer...	AND the charges...	THEN...
has not been notified of charges due		<ul style="list-style-type: none">• print Producer Collection Invoice according to subparagraph 3 C• send a notification letter according to 7-CN, subparagraph 214 D.
has been issued a notification letter	remain unpaid 30 calendar days after the date of the notification letter	issue the 1 st demand letter according to 58-FI, Part 4.
	have been paid	update the invoice payment status to “Paid” according to paragraph 4.
has been issued a notification letter and 1 st demand letter	remain unpaid 30 calendar days after the date of the 1 st demand letter	establish a claim according to paragraph 5.
	have been paid	update the invoice payment status to “Paid” according to paragraph 4.

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2 Collecting Charges Due on Forfeited Loans (Continued)

D

LSA Action

LSA's shall:

- review 22-CN, paragraph 54 concerning policy on collecting charges due on forfeited loans
- follow instructions in subparagraphs B and C to research and take action on Producer Collection Invoices with the exception of the following steps:
 - deposit paid invoice amounts according to 21-CN, paragraph 433
 - FAD will update payment status in COPS to "Paid" after collected invoice amounts are processed according to 21-CN
 - refer unpaid charges to the producer's administrative County Office to have a claim established if the charges remain unpaid 60 calendar days after the date of the notification letter.

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2 Collecting Charges Due on Forfeited Loans (Continued)

E

State Office Action

State Offices shall:

- print a list of Producer Collection Invoices “Waiting Payment” according to subparagraph 3 B
 - monitor County Office activity to ensure that instructions in this notice are completed as soon as possible.
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F

Contacts

County Offices shall:

- **not** contact KCAO with questions about this notice
- direct all questions to their State Price Support Specialist.

State Offices and LSA’s shall direct questions concerning this notice to Julie Floriani by:

- e-mail at Julie_Floriani@wdc.usda.gov
 - FAX at 202-690-3307
 - telephone at 202-720-8374.
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3 Accessing and Printing Producer Collection Invoices in “Waiting Payment” Status

A

Accessing COPS

County Offices and LSA’s shall access COPS to research Producer Collection Invoices in “Waiting Payment” status according to the following table.

Step	Action	Result
1	Enter the COPS Internet address, http://www.fsa.usda.gov/cotton , into the address field on the Internet browser.	COPS Home Page will be displayed.
2	On the COPS Home Page, click on “Invoice Review” under the User Function heading.	Secure System Logon Screen will be displayed.
3	Do the following: <ul style="list-style-type: none"> • enter the User ID and password • click on “Logon” • if the user does not have a User ID and password, contact the State Price Support Specialist to obtain one through the State Office Security Officer. 	COPS Logon Confirmation Screen will be displayed.
4	On the COPS Logon Confirmation Screen, click on “Continue”.	COPS Invoice List Criteria Screen will be displayed with the county’s/LSA’s State code and county code shown.

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3 Accessing and Printing Producer Collection Invoices in “Waiting Payment” Status (Continued)

B Printing List of Invoices “Waiting Payment”

After accessing COPS according to subparagraph A, County Offices and LSA’s shall print a list of Producer Collection Invoices in “Waiting Payment” status by continuing with steps in the following table.

Step	Action	Result
1	<p>To display the COP’s Invoice List Criteria Screen:</p> <ul style="list-style-type: none"> • select Producer Collection Invoice from the Invoice Type drop-down list box • select Awaiting Payment from the Status drop-down list box • for single county users, the State and county codes will be defaulted • for multiple county users, select the applicable State and county codes from the drop-down list boxes • click on “List”. 	<p>COPS Invoice List Criteria Screen will be displayed.</p> <p>This screen will list all Producer Collection Invoices with a status of Waiting Payment.</p>
2	<p>To print this screen:</p> <ul style="list-style-type: none"> • click on “File” on the Tool Bar • select Print Frame from the File drop-down menu. 	<p>The print dialogue box will open to print.</p>
3	<p>Click on “OK”.</p>	<p>The screen listing all invoices with a “waiting payment” status will print.</p>

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3 Accessing and Printing Producer Collection Invoices in “Waiting Payment” Status (Continued)

C Printing Producer Collection Invoices

After completing steps in subparagraphs A and B, County Offices and LSA’s shall print Producer Collection Invoice by continuing with the following steps.

Step	Action	Results
1	On the COPS Invoice List Screen, click on the “Line No.” for the invoice to be printed.	<p>Producer Collection Invoice Detail Screen will display:</p> <ul style="list-style-type: none"> the first 100 bales invoice page number in the upper right hand corner of the screen. <p>A screen print will be necessary for each page of invoice.</p> <p>Example: “Invoice page: 1 or 3” will require 3 print jobs to capture the entire invoice.</p>
2	<p>On the Producer Collection Invoice Detail Screen:</p> <ul style="list-style-type: none"> click on “File” on the Tool Bar click on “Print Frame” from the drop down menu. 	The print dialogue box will be displayed.
3	Click on “OK”.	Invoice will print for the first 100 bales.
4	<p>If the invoice contains more than 100 bales, scroll down to bottom of the screen.</p> <p>Click on “Next 100 Receipts”.</p>	Page 2 of the invoice listing the remaining bales, or next 100 bales if the invoice contains more than 200 bales.
5	Repeat steps 9-11 to print remaining pages of invoice.	

4 Updating Producer Collection Invoice Payment Status

A

**Updating Invoice
Payment Status
to “Paid”**

After the invoice amount has been collected and deposited on CCC-257, County Offices shall update the invoice payment status in COPS according to the following table.

Note: LSA’s shall **not** update payment status in COPS because FAD will update the record when the collected invoice amount is processed through the automated cotton reporting system according to 21-CN, paragraph 433.

Step	Action	Result
1	Type the COPS Internet address, <u>http://www.fsa.usda.gov/cotton</u> , into the address field on the Internet browser	COPS Home Page will be displayed.
2	On the COPS Home Page, click “Invoice Payment” under the User Function heading.	Secure System Logon Screen will be displayed.
3	Enter the User ID and password. Click on “Logon”. If the user does not have a User ID and password, contact the State Price Support Specialist to obtain one through the State Office Security Officer.	COPS Logon Confirmation Screen will be displayed.
4	On the COPS Logon Confirmation screen, click on “Continue”.	COPS Invoice Payment History Criteria Screen will be displayed.
5	On the Invoice Payment History Criteria Screen, enter the Invoice Number. Click on “Submit”.	Invoice Payment Screen for the chosen invoice will be displayed.

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4 Updating Producer Collection Invoice Payment Status (Continued)

A
Updating Invoice
Payment Status
to “Paid”
(Continued)

Step	Action	Result
6	<p>On the Invoice Payment Screen, enter:</p> <ul style="list-style-type: none"> • date payment was received • time payment was received • payment amount. <p>Click on “Process Payment”.</p>	Invoice Payment Screen will confirm that payment for the invoice has successfully updated
7	To return to the COPS Home Page, click on “COPS Home”.	COPS Home Page will be displayed.

5 Handling Unpaid Producer Collection Invoices as Claims

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Creating a Claim for Unpaid Invoice Charges

When an invoice amount remains unpaid 60 calendar days after the date of the notification letter, County Offices shall establish a claim in the Automated Claims System according to 64-FI using:

- Discovery Code of “10”
- Reason Code of “300”
- Program Code of “XXUPCNFORF”(XX is the last 2 digits of the crop year)
- Interest State Date as the date of the 1st demand letter
- Interest Rate according to current prompt payment interest rate
- Interest type of “L”.

LSA’s shall contact the producer’s administrative County Office to:

- request a claim be established for unpaid invoice amounts
 - provide a case file regarding the invoice that shall include copies of:
 - Producer Collection Invoice
 - notification letter
 - 1st demand letter
 - documentation of any collection activity.
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B

Updating Status in COPS

When invoice amounts are collected as a claim collection, County Offices shall update the payment status for the invoice from “Waiting Payment” to “Paid” according to paragraph 4.

The payment amount entered on the COPS Invoice Payment Screen shall be the total claim amount collected which includes invoice charges **plus** interest.
